

Vivace Investment Partners LLC

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This Brochure provides information about the qualifications and business practices of Vivace Investment Partners LLC. If you have any questions about the contents of this Brochure, please contact John DeLuca, Chief Compliance Officer (“CCO”) of Vivace Investment Partners LLC at 212 708-4392 or by email at john.deluca@vivace-investment.com. Additional information about Vivace Investment Partners LLC is also available on the SEC’s website at www.adviserinfo.sec.gov. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Registration of an investment adviser does not imply that Vivace Investment Partners LLC or any of its principals or employees possesses a particular level of skill or training in the investment advisory business or any other business.

Item 2: Material Changes

Because this is our first brochure prepared using the SEC's revised Form ADV Part 2A, we have no material changes in prior filings to report.

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Item 4: Advisory Business

Vivace Investment Partners LLC (“**Vivace**”, the “**Adviser**”, “**we**”, “**our**”, “**us**” or the “**Firm**”) is an investment adviser organized in August 2011, with its principal place of business in Princeton, New Jersey. Under an account management agreement (the “**Agreement**”) between Vivace and a private pooled investment vehicle (the “**Client**”), the Firm provides investment management services to a trading account (the “**Account**”).

Vivace provides advice to the Account based on specific investment objectives and strategies, as more specifically described in Item 8. We do not tailor advisory services to the individual needs of Investors (the “**Investors**”) in the Account. The Client may not impose restrictions on investing in certain securities or types of securities.

Zheng Huang, John DeLuca and Ian Giblin are the owners of the Firm as of the date of submission of this form.

As of January 1, 2012, the Firm managed US\$ 3,000,000,000 in the Account, all of which are managed on a discretionary basis.

Item 5: Fees and Compensation

Pursuant to the Agreement, Vivace generally receives a base fee (the “**Base Fee**”) equal to 50% of the amount of the salaries of the Firm’s employees for the periods through December 31, 2012 and \$150,000 annually thereafter, which is billed to the Client and payable monthly in arrears.

The Client shall bear expenses of the Firm as per the Agreement, such as dividends paid, any amounts of dividend or interest income withheld as taxes, interest paid (including interest on capital to fund the Account), and any start-up and operating expenses of the Firm. The Account may incur brokerage and other transaction costs. For further details on the Firm’s brokerage practices refer to Item 12 of this Brochure.

Vivace and its employees do not accept compensation, including sales charges or service fees, from any person for the sale of securities or other investment products.

Item 6: Performance-Based Fees and Side-By-Side Management

The Firm generally receives a performance allocation that is calculated based upon a percentage of the net capital appreciation of the Account. The performance allocation is in accordance with the available exemption set forth in Rule 205-3 of the Investment Advisers Act of 1940, as amended (the “**Advisers Act**”).

Net asset value for measuring assets for the calculation of the performance allocation includes net realized and unrealized capital gains and losses. Capital gains are calculated net of all Fund expenses except for the base fee which is subtracted from the performance fee.

The performance allocation may create an incentive for Vivace to recommend investments which may be riskier or more speculative than those which would be recommended under a

different fee arrangement. We have procedures designed and implemented to prevent this conflict from influencing investment decisions.

Other than the Base Fee described in Item 5, no hourly, flat or asset-based fees are charged to the Account.

Item 7: Types of Client

The Firm's client is a private pooled investment vehicle.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis & Investment Strategy

Vivace employs quantitative analysis of various public available information and data, and develops investment strategies that are driven by mathematical models. Our quantitative strategies depend on statistical analysis to identify market inefficiencies and anomalies, and act to provide liquidities and stabilization to the financial markets. The objective of Vivace's business is to trade systematically a dynamic portfolio of liquid market instruments that earns stable returns and has little directional market exposures. The investment process is to trade off the opportunities with risks and transaction costs through a quantitative optimization.

The initial coverage of our business include electronic equity markets in US, Germany, France, Belgium, Italy, Netherlands, UK and Japan. Other markets and instruments may be added as the business expands. Typically the portfolio consist about 3500 individual stocks where the long and short positions are hedged against each other. The expected holding period of the portfolio is 10-20 days.

Risk of Loss Factors

Investing in securities involves risk of loss that the Client should be prepared to bear. The Client should consider the following factors before investing. The following list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment. The Client is urged to consult their professional advisers and review the legal documents for the Account before deciding to make an investment

Dependence on Key Personnel

The Firm has overall responsibility for the management of the affairs of the Account and has day-to-day responsibility for investment decisions on behalf of the Account. The Firm is dependent on the expertise of Zheng Huang and if the Firm were to lose his services, the Account could be adversely affected.

Model Risk

Vivace relies on the substantial use of proprietary financial models to execute its trading strategy. Models generally must be updated in order to remain effective. There can be no assurance that Vivace will be able to continue to develop and update effective models and any changes that are made in an attempt to respond to perceived changes in market conditions may be unsuccessful.

Trade Execution Risk

Many of the investment techniques used by us require the rapid and efficient execution of transactions, or the ability of the Firm to accumulate or liquidate large positions. Inefficient execution can impair realization of the market opportunities sought with such techniques.

Small to Medium Capitalization Companies

The Account may invest in the stocks of companies with small- to medium-sized market capitalizations. While we believe they may provide significant potential for appreciation, such stocks, particularly smaller-capitalization stocks, involve higher risks in some respects than do investments in stocks of larger companies. For example, prices of such stocks are often more volatile than prices of large-capitalization stocks. In addition, due to thin trading in some such stocks, an investment in these stocks may be less liquid than that of larger capitalization stocks.

Portfolio Turnover

Part of the investment strategy of the Account may involve the taking of frequent trading positions, and, as a result, turnover and brokerage commission expenses of the Account may exceed those of other investment entities of comparable size. The frequent turnover of the portfolio may also lead to inefficient tax consequences for the Account.

Item 9: Disciplinary Information

This Item is not applicable.

Item 10: Other Financial Industry Activities and Affiliations

This Item is not applicable.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Participation or Interest in Client Transactions

We serve as the investment adviser to the Account. Employees and relatives of the employees do not make investments in the Account.

We and our employees do not have a direct investment interest in the Account. As such, we cannot be considered to have recommended to the Account that they buy or sell securities or investments in which the Firm or a related person has some financial interest.

Code of Ethics & Personal Trading

Pursuant to Rule 204A-1 of the Advisers Act, we have adopted a Code of Ethics and a Personal Trading Policy that establish various procedures with respect to investment transactions in accounts in which our employees or related persons have a beneficial interest or accounts over which an employee has investment discretion.

In general, employees (and members of their immediate households) are permitted to invest in equities, debt, options or futures but must obtain pre-approval from the CCO via the

Firm's intranet page. The spirit of the Code of Ethics and the Personal Trading Policy is to discourage frequent trading in employee personal accounts. In addition, employees may not acquire securities for their own account in an initial public offering. Employees must also obtain pre-approval from the CCO before engaging in any outside business activities or private placements.

All of our employees must direct their brokers to send duplicate brokerage statements to the CCO, unless an electronic feed has been established. These records are used to monitor compliance with the foregoing policies.

These policies apply to any personal transactions involving equity, debt, options, or futures. This policy does not apply to transactions involving government securities or open-end mutual funds, broad based exchange traded funds (ETFs) or other instruments which afford the Investor no discretion over individual securities transactions.

Vivace absolutely prohibits the misuse or inappropriate communication of inside information in connection with our securities transactions. We, as well as federal and state securities laws, also prohibit the practice of market manipulation, which comprises conduct intended to deceive or defraud investors by controlling or artificially affecting the price of securities.

In special situations, we may create an information barrier or a "Chinese Wall" procedure that restricts the disclosure of confidential information to those who have a genuine "need to know" the information.

The Firm has also adopted communications guidelines designed to assist personnel in understanding their duties and responsibilities regarding the receipt and the communication of financial and other sensitive information.

Any outside business activities employees wish to engage in must be disclosed to, and approved by the CCO.

We have adopted a policy restricting the giving and receiving of gifts, limiting participation in and sponsoring of entertainment events, and requiring the reporting of gifts and entertainment to the CCO subject to limited exceptions.

We have also adopted a policy governing political contributions, the holding of public office and impermissible payments. This policy is designed, among other things, to address the requirements of Rule 206(4)-5 under the Advisers Act.

Our Code of Ethics and Personal Trading Policy are available upon request.

Item 12: Brokerage Practices

As an adviser and a fiduciary to the Account, we require that the Account's interests must always be placed first and foremost, and our trading practices and procedures prohibit unfair trading practices and seek to disclose and avoid any actual or potential conflicts of interests or resolve such conflicts in the Account's favor. We have adopted the following policies and practices to meet the Firm's fiduciary responsibilities and to ensure our trading practices are fair.

Aggregation

Trade aggregation is not an issue for Vivace as it provides services to only one client.

Allocation

Trade allocation is not an issue for Vivace as it provides services to only one client.

Best Execution

Our goal of achieving best execution in our securities transactions, taking all relevant factors into consideration, is integral to our business. Traders are authorized to make investment decisions on behalf of the Account (subject to applicable trading guidelines), and in doing so are responsible to meet “best execution” standards, that is, to ensure that transactions are executed in such a manner that the Firm’s total trading-related costs (including costs of relevant research relating to trading) are minimized while trade prices are optimal. Brokerage allocations are to be made in consideration of such factors as price; transaction costs; speed and size of execution; a broker’s ability to effect the transactions; its facilities, reliability and financial responsibility; its commitment of capital in appropriate circumstances; and the provision of true research and research-related services for execution purposes only that are of benefit to the Account; as well as other factors that are deemed appropriate to consider under the circumstances.

Principal Trading

Our policy and practice is to not engage in any principal transactions.

Soft Dollars

We may use “soft dollars” generated by the Account’s trading activities to purchase research services or products that would otherwise have been an expense of the Firm. We intend to keep any such arrangements within the parameters of Section 28(e) of the Securities Exchange Act of 1934, as amended.

Item 13: Review of Accounts

Review of Accounts

The Account managed by the Firm is reviewed on a daily basis from an operational standpoint, for proper positions and correct accounting of profit and loss and balances.

Reporting

The Client has full access and daily transparency into the Account held at a third party qualified custodian. We do not have custody of the Account.

Item 14: Client Referrals and Other Compensation

We do not currently utilize any third-party marketers or solicitors for client referrals.

We do not currently provide advice to parties other than the Account. The Firm also does not provide other advisory services to the Investors in the Account.

Item 15: Custody

This Item is not applicable.

Item 16: Investment Discretion

Vivace possesses discretionary portfolio management authority over the Account with respect to asset allocations and direct investments as per the Agreement.

We have the authority to determine (i) the securities to be purchased and sold for the Account (subject to restrictions on its activities set forth in the applicable investment management agreement and any written investment guidelines) and (ii) the amount of securities to be purchased or sold for the Account.

Item 17: Voting Client Securities

To the extent Vivace has been delegated proxy voting authority on behalf of its Client, Vivace complies with its proxy voting policies and procedures that are designed to ensure that in cases where Vivace votes proxies with respect to Client securities, such proxies are voted in the best interest of the Account. Proxies are voted on a case by case basis and in consultation with the Client. If Vivace believed it is useful to vote a proxy, the Firm must send an email request to the Client prior to the record date for the vote including details of the intended vote and the reason for desiring to vote, including any material documents or substantiation. The Client will review each request and approve or reject the request accordingly. Vivace may not vote the proxy without obtaining the prior approval of the Client.

Any intended vote that is based on Vivace's subjective intent to (i) influence or control the management or operations of a company, (ii) act in any manner that constitutes or may reasonably be interpreted as activist investing or coordinated investing with another party, is subject to the additional requirements specified in the Client's policy concerning "Activist Investing and Coordination".

Any known conflicts of interest should be identified in the request to the Client and will be considered and resolved, as appropriate by the Client.

Upon request, we will provide the Client with a copy of our proxy voting policies and procedures and/or a record of all proxy votes cast by the Account.

Item 18: Financial Information

This Item is not applicable.